

**Page Denied**

Next 1 Page(s) In Document Denied

TOP SECRET

25

## THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

25X1

National Intelligence Officers

25 June 1979

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director for National Foreign Assessment  
National Intelligence Officer for Warning

FROM: Robert C. Ames  
National Intelligence Officer for Near East  
and South Asia

SUBJECT: Monthly Warning Assessment: Near East and South Asia

1. Oil and Politics. There is growing evidence that the Arab oil producers will in the near term link more directly than ever before their decisions on oil prices, production levels, and sales contracts to US political policy in the Middle East. Libyan leader Qadhafi is likely to retaliate against the US for its refusals to sell 747 aircraft and to respond more demonstrably to Libyan requests for improved bilateral relations. Government leaders of the major Arab Gulf producers, Saudi Arabia and Kuwait, are making more explicit statements linking their oil policies to Arab-Israeli negotiations, specifically to progress on the Palestinian issue. Price and production decisions to be made by OPEC in late June in Geneva—even if motivated by market realities alone—will be certain to worsen significantly the energy crisis now facing Western countries and Japan. Political considerations, now and in the coming months, have the potential to make the situation much worse.

25

2. Afghanistan. The Taraki regime's ability to contain rebel activity continued to erode over the month. Clashes between rebels and security forces inside Kabul, although quickly suppressed by the regime, will speed the deterioration of morale and loyalty in the armed forces. The Soviet Union, while continuing to aid the Afghan military, appears to be examining alternatives to Taraki's leadership of the regime. There continues to be some divergence of views as to when the Soviets will have to make a decision on how far to back the regime and on what that decision would involve. It was noted that Soviet options are not limited to abandonment of the regime or broad military intervention on its behalf.

25

TOP SECRET

TOP SECRET

Between these two extremes exist a number of possible moves, including a steady increase in supplies and advisers, air support of Afghan ground forces, or occupation by Soviet forces of a zone inside Afghanistan along the Soviet border. [ ]

3. Syria-Israel-Lebanon. Israel's intention to continue flying reconnaissance and strike missions over Lebanon, Syria's increasingly aggressive reaction to Israeli overflights, and recent improvements in the Palestinians' anti-aircraft capability significantly increase the chances of an air clash, which, in turn, could greatly increase broader tensions in the area. [ ] Israelis [ ] have not significantly modified their reconnaissance program and some in the Israeli air force seem eager for a showdown with the Syrians. The Syrians, for their part, appear more determined to limit the blatant Israeli violations of Lebanese airspace. Complicating the situation and significantly heightening the risk of an air clash is the poor coordination between the Palestinians and the Syrian and Lebanese air forces. [ ]

4. Syrian Internal Unrest. Terrorist activity directed against President Assad and the ruling minority Alawite sect took a dramatic turn this month with the massacre of at least 30 Alawite military cadets by Sunni Muslim fanatics. The great pressure on Assad from fellow Alawites to seek revenge on the Sunnis could lead to an even more rapid spiraling of sectarian friction. [ ]

5. Iran-Iraq. Mutual suspicion between Iran and Iraq—fueled by continuing restiveness among ethnic and religious sects in both countries—has caused both sides to reinforce military positions along the northern border area. Since an Iraqi bombing of some Iranian villages during an operation against dissident Kurds in early June, Iran has moved air defense artillery to the border and apparently has begun flying daily F-5 border patrols. Iraq has moved field artillery to at least three locations opposite Iran. [ ]

6. Developments in Areas of Continuing Concern.

a. Morocco/Polisario - Attacks inside Morocco by Polisario guerrillas may increase pressure on King Hassan to order strikes on guerrilla camps inside Algeria. At this point, Hassan seems determined to avoid such an escalation and there is as yet no significant sentiment in favor of cross-border action in the Moroccan military.

b. North Yemen - Alleged coup plotting against President Salih, the dismissal of distrusted senior military officers, and

- 2 -

TOP SECRET

TOP SECRET 

25

dissatisfaction among other top military leaders point to a new period of political uncertainty in North Yemen. The lack of meaningful progress in unity talks with South Yemen which are scheduled to culminate in August will in the weeks ahead further undermine the uneasy modus vivendi between the two regimes.

25

*Robert C. Ames*  
Robert C. Ames

- 3 -

TOP SECRET 

25

TOP SECRET UMBRA

SUBJECT: Monthly Warning Assessment: Near East and South Asia

A/NIO/NESA:MKessler:csj (25 Jun 79)

Distribution:

Cy 1 - DCI

2 - DDCI

3 - ER

4 - DD/NFA

5 - NIO/NESA

6 - NIO/NESA

7 - NIO/Warning

8 - NIO/PE

9 - NIO/USSR

10 - NIO/CH

11 - NIO/CF

12 - NIO/NP

13 - NIO/LA

14 - NIO/EAP

15 - NIO/WE

16 - NIO/AF

17 - NIO/SS

18 - D/OCO

19 - D/OCR

20 - D/OER

21 - D/OPA

22 - D/OSR

23 - D/OGCR

24 - D/OIA

25 - D/OSI

26 - D/OWI

27 - SRP

28 - PBC

29 - OPA/NESA

30 - OPA/USSR (Mary Jo Roos)

31 - OER/D/NE (Paul Metzger)

32 - NFAC Reg

33 - DDO/NE (Mark McEnroe)

34 - DDO/EPDS (Joanna Fox)

35 - NIO/Near East (Roger Sullivan)

36 - State/INR/RNA (William Wille)

37 - DIO/Near East (Col. Robert Patrick)

38 - DIA/DN2E1A (LTC Thomas Howell)

39 - NSA/G-6 (Robert Spencer)

40 - ACSI DAMI FII (LTC Norvell DeAtkine)

41 - ONI/Estimates Br (Alexander Button)

42 - AF/INAKB (Capt. Ronald Bergquist)

43 - HQ USMC Code INTP (Major William Ferrier)

TOP SECRET UMBRA